TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rule making related to highway bridge program and surface transportation block grant program

The Department of Transportation hereby amends Chapter 161, "Federal-Aid Highway Bridge Program," and Chapter 162, "Surface Transportation Block Grant Program," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 307.12 and 307A.2(4).

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 307.44 and 313.4(1).

Purpose and Summary

The Department is amending Chapters 161 and 162 to add language stating that primary road funds may be swapped with Surface Transportation Block Grant (STBG) funds allocated to cities and counties for road and bridge construction projects. The highway bridge program is funded through STBG funds. These amendments are necessary to make the rules consistent with 2017 Iowa Acts, chapter 13, which amended Iowa Code section 313.4(1) and allows for the swap of STBG funds.

The following list explains the additional amendments to Chapters 161 and 162:

- Amend the title of Chapter 161 by striking "federal-aid" and adding "for cities and counties." The change in the title is being made to clarify that the highway bridge program is for cities and counties and that with the addition of the swap language, the funds will no longer be federal aid.
 - Strike "federal-aid" within rule 761—161.1(307) for consistency.
- Amend rules 761—161.2(307) and 761—162.2(307) to add references to the Department's website where additional information may be found about the swap process.
- Amend rule 761—161.3(307) to add the words "Block Grant" to the name of the Surface Transportation Program and to amend the wording of the federal citation for consistency.
- Amend the implementation sentences within both chapters to add references to Iowa Code section 313.4(1). The implementation sentence for Chapter 162 is also amended to strike the reference to 2016 Iowa Acts, Senate File 2320, and to add a reference to Iowa Code section 307.44 for consistency.
- Correct the parenthetical implementation statutes of existing rules within Chapter 162 to reference Iowa Code chapter 307 and to strike the reference to 2016 Iowa Acts, Senate File 2320.

Iowa Code section 313.4(1)"c" allows the Transportation Commission to allocate money from the primary road fund to be swapped. The Transportation Commission approved the amendments to Chapters 161 and 162 at its June 12, 2018, meeting.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on May 9, 2018, as **ARC 3777C**. No public comments or requests for oral presentations were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department and the Transportation Commission on June 13, 2018.

Fiscal Impact

2017 Iowa Acts, chapter 13, amended Iowa Code section 313.4(1)"c" to increase efficiency and reduce project costs. The Department is implementing this legislation, and because it is early in the implementation stage, swap projects have not yet been constructed. Therefore, a fiscal impact cannot be determined, but the Department believes the impact will be positive.

Jobs Impact

After analysis and review of this rule making, the Department has determined that these amendments may have a positive impact on private sector jobs and employment opportunities in Iowa. These amendments will result in cost savings that will in turn be reinvested into additional construction projects throughout the state. The additional projects should increase the number of jobs for the contracting and consulting industry.

Waivers

Any person who believes that the person's circumstances meet the statutory criteria for a waiver may petition the Department for a waiver under 761—Chapter 11.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on August 8, 2018.

The following rule-making actions are adopted:

ITEM 1. Amend **761—Chapter 161**, title, as follows: FEDERAL-AID HIGHWAY BRIDGE PROGRAM FOR CITIES AND COUNTIES

ITEM 2. Amend rule 761—161.1(307) as follows:

761—161.1(307) Purpose. The purpose of these rules is to establish requirements for the counties' and cities' federal-aid highway bridge program, in accordance with Iowa Code section 307.44.

ITEM 3. Amend rule 761—161.2(307) as follows:

761—161.2(307) Contact information <u>Information</u>. Questions regarding <u>Information relating</u> to this chapter may be directed to obtained from the Office of Local Systems, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; or on the department's website at www.iowadot.gov.

ITEM 4. Amend rule 761—161.3(307) as follows:

761—161.3(307) Source of funds. The Surface Transportation <u>Block Grant</u> Program established in <u>Section 133 of Title 23 of the United States Code 23 U.S.C. Section 133 provides for the use of federal funds to replace or rehabilitate public road bridges. The department, in consultation with county and city officials through their representative organizations, has dedicated a portion of these funds for replacement and rehabilitation of city and county bridges.</u>

- ITEM 5. Renumber rule 761—161.4(307) as 761—161.5(307).
- ITEM 6. Adopt the following **new** rule 761—161.4(313):
- 761—161.4(313) Swapping of funds. Surface Transportation Block Grant funds allocated to city and county road or bridge construction projects may be swapped with primary road funds in accordance with Iowa Code section 313.4(1).
 - ITEM 7. Amend **761—Chapter 161**, implementation sentence, as follows:

These rules are intended to implement Iowa Code section sections 307.44 and 313.4(1).

ITEM 8. Amend rule 761—162.1(86GA,SF2320), parenthetical implementation statute, as follows:

761—162.1(86GA,SF2320 307) Purpose.

ITEM 9. Amend rule 761—162.2(86GA,SF2320) as follows:

761—162.2(86GA,SF2320 <u>307)</u> Contact information <u>Information</u>. Information relating to this chapter may be obtained from the Office of Program Management, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; telephone (515)239-1661; or on the department's website at www.iowadot.gov.

ITEM 10. Amend rule 761—162.3(86GA,SF2320), parenthetical implementation statute, as follows:

761—162.3(86GA,SF2320 307) Source of funds.

ITEM 11. Amend rule 761—162.4(86GA,SF2320), parenthetical implementation statute, as follows:

761—162.4(86GA,SF2320 307) Administration of funds.

- ITEM 12. Renumber rule **761—162.4(307)** as **761—162.5(307)**.
- ITEM 13. Adopt the following **new** rule 761—162.4(313):
- 761—162.4(313) Swapping of funds. Surface Transportation Block Grant funds allocated to city and county road or bridge construction projects may be swapped with primary road funds in accordance with Iowa Code section 313.4(1).
 - ITEM 14. Amend **761—Chapter 162**, implementation sentence, as follows:

These rules are intended to implement 2016 Iowa Acts, Senate File 2320, section 4 Iowa Code sections 307.44 and 313.4(1).

[Filed 6/13/18, effective 8/8/18] [Published 7/4/18]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 7/4/18.